



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
April 22, 2013
5:00 P.M.

COUNCIL MEMBERS PRESENT:

D. Sterner, S. Marmarou, D. Reed, R. Corcoran, M. Goodman-Hinnershitz

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Younger, D. Cituk, M. Bembenick, C. Jones, R. Johnson

The Committee of the Whole meeting was called to order at 5:03 pm by Council Vice President Goodman-Hinnershitz.

I. WWTP Design Project

Mr. Jones stated that a new contract for design engineering is on Council's agenda for action this evening.

Mr. Waltman and Mr. Spencer arrived at this time.

Mr. Marmarou questioned when this project began. Mr. Jones stated that it has been in process since 2004.

Mr. Jones stated that the Administration recommends awarding the contract to R K & K in the amount of \$5.35 million. He explained that the selection process began with a request for qualifications and included the formal request for proposal process and two interviews. He stated that R K & K was selected by the committee.

Mr. Sterner questioned the involvement of Hill International and Hazen Sawyer. Mr. Jones stated that they would still be involved.

Mr. Sterner questioned the action needed this evening. Mr. Jones stated that Council must award the contract for design services.

Mr. Sterner questioned the continued involvement of Hill International and Hazen Sawyer. Mr. Jones stated that they are project and construction manager and will continue to oversee the project. Mr. Johnson stated that they support the City team through their expertise and knowledge.

Mr. Waltman questioned if any parts of the original design were usable. Mr. Younger stated that this is executive session material.

Mr. Waltman requested an update on the issue in the near future.

Ms. Reed suggested that this be moved out of the consent agenda so that there can be separate discussion at the regular meeting.

Mr. Jones stated that the new design will be based on studies and recommendations by Hazen Sawyer. He explained that these concepts have been accepted by the Department of Justice.

Ms. Goodman-Hinnershitz agreed that this item should have separate action.

Mr. Johnson stated that the City and Hazen Sawyer have considered Mr. Waltman's question.

II. Mayor's Presentation of the City's Economic Development Vision

Ms. Snyder stated that this topic will be discussed on May 6.

III. Agenda Review

Council reviewed this evening's agenda including the following:

- Award of Contract – WWTP Design

The agenda will be amended to move this item from the consent agenda to the resolution section for separate discussion and vote.

- Resolution amending the FY 2006 Action Plan

Ms. Snyder stated that Council action is needed each time the Action Plan is amended. She stated that the Berks County Redevelopment Authority demolition was for low – moderate housing. She stated that HUD has agreed to amend the Plan to address slum and blight on a spot basis. She stated that this is a technical change and that there is no financial impact.

Mr. Sterner noted the request received by the African American Museum to increase the funding of their project by an additional \$500,000. Mr. Spencer stated that the City has \$500,000 in capital funds set aside for the project but that they cannot increase the funding. Mr. Bembenick stated that the funds are to be used for matching funds for other grants and cannot be released to the Museum until the other funding is secured.

- Ordinance amending the Citizens Advisory Board

Ms. Snyder stated that this topic was discussed at the Open Government Committee and that they have approved the recommended amendments decreasing the membership and focusing the mission.

- Ordinances amending the City's four Pension Plans

Ms. Goodman-Hinnershitz requested an overview of the amendments. Mr. Cituk stated that the Act 47 Plan suggested that the Pension Plans be modified to meet current IRS standards. He stated that the amendments are housekeeping issues and that they are now compliant with tax laws. He stated that the changes are the same to all four plans and that the IRS has reviewed the amendments. He stated that Council must take official action and the amendments must be formally sent to the IRS. The deadline for the IRS submission is May 15.

IV. Joint Meeting with Reading School District

Mr. Marmarou expressed the belief that the joint meeting should move forward.

Mr. Waltman questioned the topic of the meeting. Mr. Marmarou stated that it would be focused on safety issues.

Mr. Waltman questioned if both of the Administrations have discussed these topics. Mr. Spencer stated that he has spoken with Dr. Purcell. He stated that there were emails about meeting but that Council did not wish to meet at this time. Ms. Snyder explained that the date chosen conflicts with a BCTV candidate debate.

Ms. Goodman-Hinnershitz suggested that this issue be discussed at a leadership meeting.

Mr. Marmarou requested that he also be in attendance.

Ms. Goodman-Hinnershitz noted the need for the City to know the agenda before any meeting to ensure the right people attend.

Mr. Waltman stated that the legislative bodies should not be forcing action. He stated that both Administrations should meet and that the bodies should not meet just to meet.

Mr. Acosta arrived at this time.

Mr. Spencer stated that he has spoken with Mr. Cooper, Mr. Washington and Dr. Purcell. He stated that they wish to address safety concerns including the incidents at RHS and the Citadel and decreased School District security. He stated that he explained that police coverage at the school buildings is generally on overtime.

Mr. Acosta noted the need to understand what the District wants before the meeting is held. He stated that the City approached the District in the past and they were not interested in meeting.

Mr. Marmarou stated that meetings were held in the past but that they have stopped.

Ms. Reed stated that meetings were held but that they were not productive meetings.

Mr. Acosta stated that the City will learn nothing if a meeting is held now.

Mr. Spencer explained that there is new leadership at the District and that they have security concerns.

Ms. Goodman-Hinnershitz noted the need for an agenda before a meeting is scheduled. She stated that the issues to be discussed need to be known so that the correct people are in attendance. She stated that priority issues should be discussed and that the meeting must be productive. She stated that the end of the school year is approaching and there will be many people with nothing productive to do during the day.

Mr. Acosta expressed his belief that the District wants to see what the City will fund for them while they are reviewing their budget.

Mr. Waltman noted the need to address safety issues. He stated that funds not spent in schools is spent on the streets.

Ms. Goodman-Hinnershitz stated that the many transitions of District students also adds to the problem.

Mr. Acosta noted the need to discuss this at strategic planning meetings to be sure the City is ready to move forward with discussions.

Mr. Spencer stated that Ms. Snyder will contact the District administration about school safety and police issues.

V. Strategic Planning

Mr. Acosta stated that the Council committee structure has been reviewed. He stated that Council should be focusing their efforts differently and stated that Committees will be revised so that all Councilors can attend all Committee meetings should they choose. He stated that he prefers to adopt the following schedule:

1st Monday – Nominations & Appointments Committee at 4 pm (Marmarou chair)

- Standards of Living Committee at 5 pm (Goodman-Hinnershitz/Corcoran co-chairs)

- Economic Development Committee at 6 pm (Sterner chair)

2nd Monday – Committee of the Whole at 5 pm

- Regular Meeting at 7 pm

3rd Monday – Finance Committee at 5 pm (Reed chair)

- Strategic Planning at 6 pm (Waltman chair)

4th Monday – Committee of the Whole at 5 pm

- Regular Meeting at 7 pm

Mr. Acosta stated that workshops will be scheduled only as needed. He stated that more effort must be put into planning. He reiterated that Councilors are not required to attend all Committee meetings and that Committee members will remain the same.

Ms. Katzenmoyer questioned when the new schedule would begin. Mr. Acosta stated that it will begin in May.

Ms. Kelleher explained that a Council resolution is needed to officially make the change. She stated that Council can pass the Resolution at their May 13 meeting.

Mr. Corcoran stated that he met with Ms. Snyder today about the Standards of Living Committee agenda. He stated that the topics will be Land Bank, Economic Development Vision and Code of Ethics amendment. He stated that the Land Value Tax discussion has been moved to May 13.

Mr. Acosta stated that the ultimate goal of the changes is better communication.

Ms. Goodman-Hinnershitz stated that the leadership is discussing ways to monitor follow up of discussion topics. She stated that a spreadsheet is being discussed. She stated that urgent and priority matters will be discussed at Committee meetings first. She noted the need for a trackable system. She stated that District issues will also be tracked via spreadsheet. She stated that this concept is still evolving.

Mr. Sterner questioned if the Strategic Planning Committee set all Committee agendas. Mr. Acosta stated that the Strategic Planning Committee will make suggestions but that the individual Committee chair will still set the agenda.

Mr. Waltman stated that another goal with this change is for the Administration and Council to agree on discussion topics since they will be discussed at leadership meetings. He noted the need for Committee chairs to be actively setting agendas.

Mr. Acosta stated that 2 – 3 priority items will be brought forward for Committee discussion.

Mr. Corcoran stated that it will important for Committee chairs to meet with Ms. Snyder about agenda topics.

Mr. Acosta stated that all agenda information should be funneled through Ms. Snyder.

Ms. Goodman-Hinnershitz suggested changing the Standards of Living Committee to the Public Standards of Living Committee to address housing, public works and public safety issues.

Mr. Waltman noted the need to bring items forward that can be addressed and that align with the Administration.

Ms. Goodman-Hinnershitz stated that this evening's Council agenda has no ordinances for introduction which means there will be no business for Council action at the May 13 meeting. She noted the need to plan so that topics continue moving forward. She stated that issues should not be addressed at the last minute.

Mr. Sterner stated that he met with Ms. Snyder about the Economic Development Committee agenda. He stated that they discussed the need to know all groups within City control and outside City control who are involved in community development and what they do. He noted the need for this information to ensure that everyone is working together.

Mr. Acosta agreed and stated that there are many groups trying to better the City.

Mr. Waltman noted the need to focus on achievable issues to increase outcomes.

Mr. Spencer stated that an Economic Development summit of City controlled organizations is planned for May 23 at 9 am at the Pagoda. He stated that after this summit occurs he will contact outside agencies. He stated that the City must be in the driver's seat for economic development.

Mr. Acosta suggested that Mr. Spencer invite Council to this summit.

Mr. Waltman suggested that the Finance Committee begin looking at the Act 47 Plan. He stated that the City needs to determine where it needs to go. He suggested that the City's financials be reconciled with the Plan to determine what goals have been met and where amendments are needed. He suggested that Ms. Snyder work with PFM. Ms. Snyder agreed and stated that the City also needs to review the Plan to determine what initiatives are complete and what still needs to be addressed.

Ms. Reed agreed. Ms. Snyder stated that Mr. Mann is willing to work on these items. She suggested that initiatives be addressed in Council Committee as applicable. *(Note: this was done in the past.)*

Mr. Waltman stated that the City and PFM must also understand the financial issues including the loss of the Commuter Tax and Act 73.

Mr. Spencer suggested that all initiatives be reviewed but that the focus be put on those giving the City the biggest bang for its buck. He suggested that those which are completed should be noted.

Mr. Waltman agreed with this approach. He stated that the financial issues moving forward need to be addressed to begin preparations of future budgets.

Mr. Spencer stated that many Act 47 meetings focus on increasing revenue and expense cutting items.

Mr. Acosta expressed the belief that the City is running out of big ticket items.

Ms. Reed suggested that the City hold a budget summit this June to preview the 2014 budget so that all know the direction the City is headed.

Mr. Marmarou questioned the insurance issue. Ms. Snyder stated that the arbiter heard both sides. She stated that written briefs have not yet been submitted. She stated that the arbiter stated that the City will have a decision 60 days after the presentations. Mr. Younger stated that the City had 30 days to submit written briefs. He stated that Ms. Butler is working on this issue.

Mr. Waltman noted the need to understand what is and is not working with the Recovery Plan.

Mr. Spencer stated that the arbiter understands the City's financial position.

Ms. Snyder stated that the City should have a decision by the end of May.

VI. Act 73

Mr. Waltman noted the need to understand how this affects the City's lease with the Water Authority. Mr. Spencer stated that the lease agreement is fine until they expire.

Mr. Waltman reviewed the Act language. He expressed the belief that the language does not preclude the City from renewing the lease with a payment as the Water Authority does not own its system. He stated that the lease is not outside the mission of the Water Authority.

Mr. Younger stated that Courts may interpret that differently.

Ms. Goodman-Hinnershitz stated that any Act should have a legal interpretation. She requested a review by the Solicitor and an executive summary.

Mr. Waltman agreed.

Mr. Marmarou stated that the Water Authority can be dissolved and the City run its own system.

Mr. Waltman stated that this is an option but that the City needs to understand all its options.

Mr. Spencer stated that this is one topic of Project 15.

Ms. Reed noted the need for the City to understand its obligation with Authority debt if an authority is dissolved. Ms. Snyder stated that this is a very complex issue and stated that it will take over a year to complete.

Mr. Acosta stated that the Authority must be notified of the City's intent to dissolve within a small timeframe.

Mr. Bembenick stated that the process could take 18 – 30 months to complete.

Mr. Waltman stated that nothing is impossible but that the debt service must be completely understood. He stated that in his reading of the Act it does not preclude the City from renegotiating the lease agreement. He stated that the Water Authority cannot operate without the system and the City owns the system. He expressed the belief that they cannot fund programs outside their mission but that delivery of water is their mission.

Mr. Cituk stated that this issue was discussed briefly at an Act 47 meeting. He stated that a legal review is needed but that the focus of the Act was on Harrisburg and an authority's funding of a museum. He expressed the belief that if the Act goes beyond funding outside an authority's mission it defeats the purpose of the regulations. He concurred with Mr. Waltman's reading of the Act.

Mr. Waltman stated that with the mission of the Water Authority being the delivery of water the City should be able to continue a lease agreement. He stated that these are valuable assets owned by the City.

Ms. Snyder stated that from her dealings with the Water Authority they are not trying to stop paying but that future negotiations must be done carefully. She stated that the Water Authority is willing to engage in discussions. She stated that Mr. Mann has suggested that if a lease is not possible that the Water Authority consider a PILOT as Water Authority property is tax exempt.

Mr. Acosta permitted Mr. Spatz from the Reading Eagle to speak. Mr. Spatz stated that Act 73 amends the Authorities Act and that the Act does not apply to the Parking Authority. Mr. Younger agreed.

VII. Executive Session

Council entered executive session at 6:17 pm to discuss personnel issues. Council exited executive session at 6:50 pm.

The Committee of the Whole meeting adjourned at approximately 6:50 pm.

*Respectfully Submitted by
Linda A. Kelleher, CMC, City Clerk*